

CAPTION SHEET

CASE MANAGEMENT SYSTEM

1. REPORT DATE: 00/00/00	:	
2. BUREAU: FUS	:	
3. SECTION(S):	:	
5. APPROVED BY:	:	4. PUBLIC MEETING DATE:
DIRECTOR:	:	00/00/00
SUPERVISOR:	:	
6. PERSON IN CHARGE:	:	7. DATE FILED: 07/05/06
8. DOCKET NO: A-230073 F0011	:	9. EFFECTIVE DATE: 00/00/00

PARTY/COMPLAINANT: HIGHLAND TOWNSHIP

RESPONDENT/APPLICANT: PA-AMERICAN WATER CO-WASTEWATER

COMP/APP COUNTY:

UTILITY CODE: 230073

ALLEGATION OR SUBJECT

APPLICATION OF PENNSYLVANIA AMERICAN WATER COMPANY FOR APPROVAL OF THE RIGHT TO OFFER, RENDER, FURNISH OR SUPPLY WASTEWATER SERVICE TO THE PUBLIC IN A PORTION OF HIGHLAND TOWNSHIP, CHESTER COUNTY, PENNSYLVANIA.

DOCUMENT
FOLDER

DOCKETED
JUL 18 2006



Pennsylvania-American Water Company

800 West Hershey Park Drive • Hershey, PA 17033-0888
(717) 533-5000 • Fax: (717) 531-3314 • E-mail: smarsh@pawc.com

Susan Simms Marsh
Associate Corporate Counsel

~~A-212285F0138~~

July 5, 2006

Mr. James J. McNulty, Secretary
Pennsylvania Public Utility
Commission
Commonwealth Keystone Building
400 North Street, PO Box 3265
Harrisburg, PA 17105-3265

A-230073 F0011

RECEIVED

JUL 05 2006

DOCUMENT
FOLDER

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

In re: Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service to the public in portions of Highland Township, Chester County, Pennsylvania *waste water*

Dear Mr. McNulty:

On behalf of Pennsylvania-American Water Company, enclosed for filing with you are an original and three copies of the above-referenced Application. Also included is a check in the amount of \$350 for the Commission's filing fee.

Please acknowledge receipt of this filing by date-stamping the extra copy of this letter and returning it in the enclosed, self-addressed stamped envelope.

Sincerely,

Susan Simms Marsh
Susan Simms Marsh

ORIGINAL

blg

Enclosures

cc: Office of Trial Staff
Office of Small Business Advocate
Office of Consumer Advocate
Department of Environmental Protection
T. Reed
D. DeArment

52



ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply wastewater service to the public in a portion of Highland Township, Chester County, Pennsylvania.

Application No. A-22285 F0138

A-230073 F0011

RECEIVED

JUL 05 2006

To Pennsylvania Public Utility Commission:

I. INTRODUCTION

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

1. Pennsylvania-American Water Company ("Pennsylvania-American" or "Applicant") hereby requests that the Pennsylvania Public Utility Commission ("Commission") issue a certificate of public convenience evidencing its approval under Section 1102(a) of the Public Utility Code, 66 Pa.C.S. § 1102(a), of the Applicant's offering, rendering, furnishing or supplying of ^{waste} water service in a portion of Highland Township, Chester County, Pennsylvania.

2. This Application is being filed to extend wastewater service to the public in the proposed service territory in portions of Highland Township, Chester County, Pennsylvania.

3. The name and address of Applicant is:

Pennsylvania-American Water Company
("Pennsylvania-American")
800 West Hersheypark Drive
Hershey, PA 17033

DOCUMENT
FOLDER

4. The names and address of the Applicant's attorneys are:

Velma A. Redmond, Esquire
Susan Simms Marsh, Esquire
Seth A. Mendelsohn, Esquire
Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033

~~DOCUMENT~~

JUL 10 2006

FILED
JUL 18 2006

II. DESCRIPTION OF THE APPLICANT

5. Pennsylvania-American is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania and is a wholly owned subsidiary of the American Water Works Company, Inc. ("AWW"). Pennsylvania-American furnishes water service in a certificated service territory encompassing portions of 35 counties across the Commonwealth. As of January 1, 2006, Pennsylvania-American provided water service to approximately 618,362 customers in the following classifications:

Residential:	569,478
Commercial:	42,463
Industrial:	882
Municipal, Resale and Other:	2,322
Fire Protection:	3,212

In addition, Pennsylvania-American furnishes wastewater service to approximately 14,104 customers.

6. Attached hereto as Exhibit A is pertinent information with respect to the corporate history, authority, and service territory of Pennsylvania-American.

III. THE PROPOSED ADDITIONAL SERVICE TERRITORY

7. As indicated at paragraph 2 above, the proposed additional service territory is located in a portion of Highland Township, Chester County, Pennsylvania. Attached hereto as Exhibit B-1 is a description of the area to be served, and attached hereto as Exhibit B-2 is a map showing the boundaries of the area to be served. The applied-for-territory includes one (1) residential customer. Pennsylvania-American is certificated to serve in portions of Parkesburg Borough under Docket A-230073F002 and will use that service to connect the Highland Township line.

8. No additional capital will be required by the Applicant for the purpose of financing the matters and things involved in this Application. All pipeline extensions will be completed under Applicant's tariff rules regarding main extensions.

9. The facilities to be installed within this application territory for the one (1) residential customer will consist of a wastewater service hook-up and 1,750 feet of wastewater main extending from Boro Line Road to the pump station in Parkesburg Borough and will include mains, services, meters, valves and related appurtenances.

10. To the best of the knowledge of the Applicant, no corporation, partnership, or individual is now furnishing or has corporate or franchise rights to furnish service similar to that to be rendered by Applicant in the Application Territory, and no competitive condition will be created.

IV. FINANCIAL AND OTHER RELEVANT INFORMATION

11. There is attached hereto, as Exhibit C, a balance sheet of Pennsylvania-American as of December 31, 2005.

12. There is attached hereto, as Exhibit D, a statement of income and retained earnings of Pennsylvania-American for the 12 months ended December 31, 2005.

13. Pennsylvania-American will charge its then existing rates for service in the Application Territory as set forth in Pennsylvania-American's Coatesville Wastewater Tariff. Current rates are shown on Exhibit E, and may be changed from time to time.

14. Furnishing of service in the proposed additional service territory will have no adverse effect upon the service furnished or the rates charged to other customers.

15. The estimated annual revenues and expenses of Pennsylvania-American in the additional territory are set forth in Exhibit F attached hereto.

IV. PUBLIC INTEREST

16. It is in the public interest for Pennsylvania-American to provide wastewater service in the proposed service territory because it is financially and technically capable of providing service and because there is a need to make water service available for one (1) residential customer.

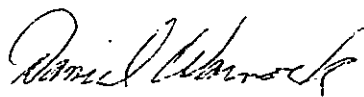
17. A Resolution was and made and enacted by the Board of Supervisors of Highland Township as a request and in support of Pennsylvania-American's application and is attached as Exhibit G.

V. RELIEF REQUESTED

18. Together with its Order approving this Application, Pennsylvania-American requests that the Commission issue a Certificate of Public Convenience pursuant to Section 1102(a) of the Public Utility Code, 66 Pa.C.S. §1102(a), authorizing Pennsylvania-American to furnish water service in a portion of Highland Township described in Exhibit B-1 and depicted in Exhibit B-2 hereto.

WHEREFORE, Pennsylvania-American respectfully requests that the Pennsylvania Public Utility Commission approve this Application and grant the relief requested in Paragraph 18, above.

PENNSYLVANIA-AMERICAN WATER COMPANY

By: 
President

Dated: July 3, 2006

COMMONWEALTH OF PENNSYLVANIA)
)
COUNTY OF DAUPHIN)

SS:

On this, the *3rd* day of *July*, 2006, before me, a notary public, the undersigned officer, personally appeared Daniel W. Warnock, who acknowledged himself to be a President of Pennsylvania-American Water Company, a Pennsylvania Corporation and that he as such President being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Roberta L. Gautsch

My Commission Expires:

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
ROBERTA L. GAUTSCH, Notary Public
Derry Twp., Dauphin County
My Commission Expires Oct. 10, 2006

PENNSYLVANIA-AMERICAN WATER COMPANY

Pennsylvania-American Water Company, an investor-owned water company, with corporate offices at 800 West Hersheypark Drive, Hershey, is a subsidiary of American Water Works Company, Inc. On February 1, 1989, the then-existing Pennsylvania-American Water Company (the result of the January 1, 1987 merger of Riverton Consolidated Water Company with and into Keystone Water Company) was merged with and into Western Pennsylvania Water Company, and the name of the surviving corporation was changed to Pennsylvania-American Water Company. A brief summary of each of the three predecessor companies follows.

Riverton Consolidated Water Company was formed by the merger and consolidation of six operating water companies in 1904. It subsequently acquired seven additional systems, and at the time of its merger with Keystone, supplied water to 12 municipalities on the Harrisburg west shore, Cumberland County, and Fairview Township in York County.

Keystone Water Company resulted from the 1973 merger of 14 companies with and into White Deer Mountain Water Company. The Company later acquired four systems. It provided water service in 14 eastern Pennsylvania counties through the following distribution systems: Abington, Bangor, Berwick, Frackville, Hallstead, Hershey/Palmyra, Montrose, Moshannon Valley, Norristown, Northumberland, Susquehanna, Thompson, White Deer (Milton), and Yardley.

Western Pennsylvania Water Company was the product of the merger of 17 water companies with and into South Pittsburgh Water Company at various times from 1970 to 1973. WPW added seven water distribution systems, extending its service territory into portions of 12 western Pennsylvania counties. The company operated through the following district offices: Butler, Clarion, Connellsville, Ellwood, Indiana, Kane, Kittanning, McDonald, Mon Valley, New Castle, Pittsburgh, Punxsutawney, Uniontown, Warren, and Washington.

After the merger of Riverton and Keystone in 1987, the former Pennsylvania-American Water Company purchased five systems: Red Land Water Company in York County, Campbelltown Water Company in Lebanon County, and three systems in the Moshannon Valley area, Clearfield County - Woodland-Bigler Area Authority, Allport Water Authority, and Graham Water Association.

Since the merger of the former Pennsylvania-American Water Company (Riverton and Keystone) into Western Pennsylvania Water Company on February 1, 1989, the Company has acquired the following water systems: Smith Township Municipal Authority system (Washington County, February 27, 1989); Abington Township system (Lackawanna County, August 5, 1989); Summit Township Municipal Authority system (Butler County, August 31, 1993); Skyline Water Company (Dauphin County, December 2, 1993); Gregg Township Municipal Authority system (Union County, April 25, 1994); P-F Area Water Association system (Washington County, October 1, 1994); Country Place Water Company, Inc. and Country Place Waste Treatment Company, Inc. (Monroe County, June 30, 1995); Hickory Water Company, Pocono Farms East Water Company, Inc., and Silver Water Company (Monroe and Pike Counties, December 21, 1995); the water utility assets of Pennsylvania Gas and Water Company (Lackawanna, Luzerne, Susquehanna and Wayne Counties, February 16, 1996); the Municipal Authority of the Township of Morris system (Clearfield County, April 24, 1996); Westford Water Company (Dauphin County, August 2, 1996); Clarion Township General Authority (Clarion County, January 28, 1998); Fairview Water Company, National Utilities, Inc.-Pocono Division, and Pocono Mountains

Exhibit A
Page 1 of 5

RECEIVED

JUL 05 2006

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Industrial Park Authority (Monroe County, May 7, 1998); Coolbaugh Township-Fire System (Monroe County, July 28, 1998); Greene Valley Water Company (Lackawanna County, August 28, 1998); Franklin Manor Utilities, Ltd. (Washington County, September 22, 1998); Taylor Township (Lawrence County, December 21, 1998); Evansburg Water Company (Montgomery County, December 30, 1998); Applewold Borough (Armstrong County, March 26, 1999); Cedar Grove Water Association (Washington County, July 8, 1999); Independence Township Municipal Authority (Washington County, July 8, 1999); Koppel Borough (Beaver County, November 5, 1999); Center Township (Butler County, December 30, 1999); Strattanville Borough (Clarion County, April 6, 2000); Franklin Township Municipal Authority (Beaver County, August 30, 2000); Elk Forest Estates (Wayne County, November 18, 2000); T.O.W. Associates (Butler County, February 13, 2001); City of Coatesville Authority (Chester and Lancaster Counties, March 22, 2001); Fox Knoll Water Company (Chester County, April 26, 2001); Butler Township Area Water and Sewer Authority (Butler County, April 27, 2001); Citizens Utilities Water Company of Pennsylvania (Adams, Berks, Chester, Monroe, Montgomery and Northampton Counties, January 15, 2002); LP Water & Sewer Company (Monroe and Pike Counties, April 3, 2002); Mid-Monroe Water Company (Monroe County, August 23, 2002); West Decatur Authority (Clearfield County, March 31, 2003); Rustic Acres Water Association (Pike County, September 30, 2003); Sandy Ridge Water Authority (Center County, October 14, 2003); Connoquenessing Borough Authority (Butler County, October 23, 2003); Skytop Water Company (Luzerne County, December 3, 2003); Sligo Borough Authority (Clarion County, August 31, 2004); Snowshoe at Mt. Pocono Condominiums, Inc. (Monroe County, February 24, 2005); Shippenville Municipal Authority (Clarion County, March 31, 2005); Blue Mountain Lake Associates, L.P. (Monroe County, October 31, 2005); East Fallowfield Township (Chester County, December 22, 2005); Stillwater Lakes Water Corporation (Monroe County, January 17, 2006) and Winona Lakes Utilities, Inc. (Monroe and Pike Counties, January 26, 2006). On July 2, 1990, Brownsville Water Company (Fayette County) and California Water Company (Washington County) were acquired and merged into the Company. On June 16, 1992, the former Forge Road Acres water system (Cumberland County) was sold to South Middleton Township. On March 24, 2003, Salisbury Water Supply Company (State of Massachusetts) was acquired and merged into the Company.

As a result of the various mergers and acquisitions, the Company furnishes water service to about 618,821 customers in the following municipalities:

All, or portions of, the Townships of Mount Joy, Mount Pleasant and Straban in Adams County;

All, or portions of, the Cities of Clairton and Pittsburgh (16th, 18th, 19th, 20th, 23rd, 29th, 30th, 31st and 32nd Wards), the Boroughs of Baldwin, Bethel Park, Brentwood, Bridgeville, Carnegie, Castle Shannon, Crafton, Dormont, Dravosburg, Elizabeth, Glassport, Greentree, Heidelberg, Homestead, Ingram, Jefferson, Liberty, Lincoln, Mt. Oliver, Munhall, Pleasant Hills, Rosslyn Farms, Thornburg, West Elizabeth, West Homestead, West Mifflin, Whitaker and Whitehall and the Townships of Baldwin, Collier, Elizabeth, Forward, Mt. Lebanon, North Fayette, Robinson, Scott, South Fayette, South Park and Upper St. Clair in Allegheny County;

All, or portions of, the Boroughs of Applewold and Kittanning and the Townships of Manor and Rayburn in Armstrong County;

All, or portions of, the Boroughs of Big Beaver, Ellwood City, Frankfort Springs and Koppel and the Townships of Franklin, Hanover and North Sewickly in Beaver County;

All, or portions of, the Boroughs of Sinking Spring, St. Lawrence, West Lawn and Wyomissing Hills and the Townships of Amity, Cumru, Earl, Exeter, Lower Heidelberg, Ruscombmanor, South Heidelberg and Spring in Berks County;

All, or portions of, the Borough of Yardley and the Townships of Falls and Lower Makefield in

Bucks County;

All, or portions of, the City of Butler, the Boroughs of Connoquenessing and East Butler and the Townships of Butler, Center, Connoquenessing, Forward, Franklin, Jackson, Lancaster, Oakland, Penn and Summit in Butler County;

All, or portions of, the Boroughs of Philipsburg and South Philipsburg and the Township of Rush in Centre County;

All, or portions of, the City of Coatesville, the Boroughs of Atglen, Parkesburg, South Coatesville and Spring City and the Townships of Caln, East Coventry, East Fallowfield, East Pikeland, East Vincent, Sadsbury, Schuylkill, Valley, West Caln, West Sadsbury and West Vincent in Chester County;

All, or portions of, the Boroughs of Clarion, Shippenville and Strattanville and the Townships of Clarion, Elk, Farmington, Knox, Limestone, Monroe, Paint and Piney in Clarion County;

All, or portions of, the Boroughs of Chester Hill and Osceola Mills and the Townships of Boggs, Bradford, Decatur, Graham and Morris in Clearfield County;

All, or portions of, the Boroughs of Berwick and Briar Creek and the Township of Briar Creek in Columbia County;

All, or portions of, the Boroughs of Camp Hill, Lemoyne, New Cumberland, Shiremanstown, West Fairview and Wormleysburg and the Townships of East Pennsboro, Hampden, Lower Allen, Silver Spring and Upper Allen in Cumberland County;

All, or portions of, the Townships of Conewago, Derry, Londonderry, South Hanover and West Hanover in Dauphin County;

All, or portions of, the Cities of Connellsville and Uniontown, the Boroughs of Brownsville, South Connellsville and West Brownsville and the Townships of Brownsville, Bullskin, Connellsville, Dunbar, Jefferson, Luzerne, Menallen, North Union, Redstone and South Union in Fayette County;

All, or portions of, the Borough of Indiana and the Township of White in Indiana County;

All, or portions of, the Boroughs of Big Run and Punxsutawney and the Townships of Bell, Gaskill, Henderson, McCalmont and Young in Jefferson County;

All, or portions of, the Cities of Carbondale and Scranton, the Boroughs of Archbald, Blakely, Clarks Green, Clarks Summit, Dalton, Dickson City, Dunmore, Jermyn, Jessup, Mayfield, Moosic, Old Forge, Olyphant, Taylor, Throop and Vandling and the Townships of Abington, Carbondale, Fell, Glenburn, North Abington, Scott and South Abington in Lackawanna County;

All, or portions of, the Borough of Quarryville and the Townships of Bart, Colerain, Eden and Sadsbury in Lancaster County;

All, or portions of, the City of New Castle; the Boroughs of Ellport, Ellwood City, New Beaver and South New Castle and the Townships of Hickory, Mahoning, Neshannock, North Beaver, Perkiomen, Perry, Shenango, Taylor, Union and Wayne in Lawrence County;

All, or portions of, the Borough of Palmyra and the Townships of Annville, North Annville, North Londonderry, South Annville and South Londonderry in Lebanon County;

All, or portions of, the Cities of Nanticoke, Pittston and Wilkes-Barre, the Boroughs of Ashley, Avoca, Courtdale, Dallas, Dupont, Duryea, Edwardsville, Exeter, Forty Fort, Hughestown, Kingston, Laflin, Larksville, Laurel Run, Luzerne, Nescopeck, Plymouth, Pringle, Shickshinny, Sugar Notch, Swoyersville, Warrior Run, West Pittston, West Wyoming, Wyoming and Yatesville and the Townships of Conyngham, Fairview, Hanover, Hunlock, Jackson, Jenkins, Kingston, Newport, Pittston, Plains, Plymouth, Rice, Salem, Union, Wilkes-Barre and Wright in Luzerne County;

All, or portions of, the Borough of Kane and the Township of Wetmore in McKean County;

All, or portions of, the Borough of Mount Pocono and the Townships of Coolbaugh, Hamilton, Middle Smithfield, Ross, Smithfield and Stroud in Monroe County;

All, or portions of, the Boroughs of Bridgeport, Norristown and Royersford and the Townships of East Norriton, Limerick, Lower Pottsgrove, Lower Providence, Plymouth, Skippack, Upper Merion, Upper Providence, West Norriton, Whitmarsh, Whitpain and Worcester in Montgomery County;

All, or portions of, the Boroughs of Bangor, Belfast, Nazareth, Pen Argyl, Roseto, Stockertown, Tatamy and Wind Gap and the Townships of Bushkill, Forks, Lower Nazareth, Palmer, Plainfield, Upper Mt. Bethel, Upper Nazareth and Washington in Northampton County;

All, or portions of, the Boroughs of Milton, Northumberland and Watsontown and the Townships of Delaware, East Chillisquaque, Point, Turbot, Upper Augusta and West Chillisquaque in Northumberland County;

Portions of the Townships of Delaware and Lehman in Pike County;

All, or portions of, the Borough of Frackville and the Townships of Butler, Mahanoy, New Castle and West Mahanoy in Schuylkill County;

All, or portions of, the Boroughs of Forest City, Great Bend, Hallstead, Lanesboro, Montrose, Susquehanna and Thompson and the Townships of Bridgewater, Great Bend, Harmony and Oakland in Susquehanna County;

All, or portions of, the Borough of Lewisburg and the Townships of Buffalo, East Buffalo, Gregg, Kelly and White Deer in Union County;

All, or portions of, the City of Warren and the Townships of Conewango, Glade, Meade, and Pleasant in Warren County;

All, or portions of, the Cities of Monongahela and Washington and the Boroughs of Burgettstown, California, Canonsburg, Coal Center, East Washington, Finleyville, Houston, McDonald, Midway, New Eagle and West Middletown and the Townships of Amwell, Canton, Carroll, Cecil, Chartiers, Cross Creek, Fallowfield, Hanover, Hopewell, Independence, Jefferson, Mt. Pleasant, North Franklin, North Strabane, Nottingham, Peters, Robinson, Smith, Somerset, South Franklin, South Strabane and Union in Washington County;

Portion of the Township of Clinton in Wayne County; and

All, or portions of, the Townships of Fairview and Newberry in York County.

As a result of acquisitions, the Company furnishes wastewater service to about 14,104 customers in the following municipalities:

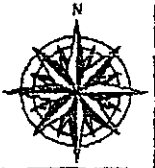
All, or portions of, the City of Coatesville, the Borough of Parkesburg and the Townships of Caln, East Fallowfield, Sadsbury, Valley, West Caln and West Sadsbury in Chester County; and

Portions of the Townships of Coolbaugh, Middle Smithfield, Smithfield and Stroud in Monroe County.

Portion of the Township of Lehman in Pike County.

[372 municipalities in 35 counties. Note: Ellwood City Borough is located in Beaver and Lawrence Counties; Hanover Township is located in Beaver and Washington Counties]

2/9/06



REGESTER ASSOCIATES, INC.

LAND SURVEYING & CIVIL ENGINEERING
www.regesterassociates.com

TELEPHONE (610) 444-5554
FAX (610) 444-6149

821 EAST BALTIMORE PIKE / P.O. BOX 406
KENNETT SQUARE, PA. 19348

#29097 – Heartwork Construction

Tax Parcel 45-01-10

May 22, 2006

Page 1

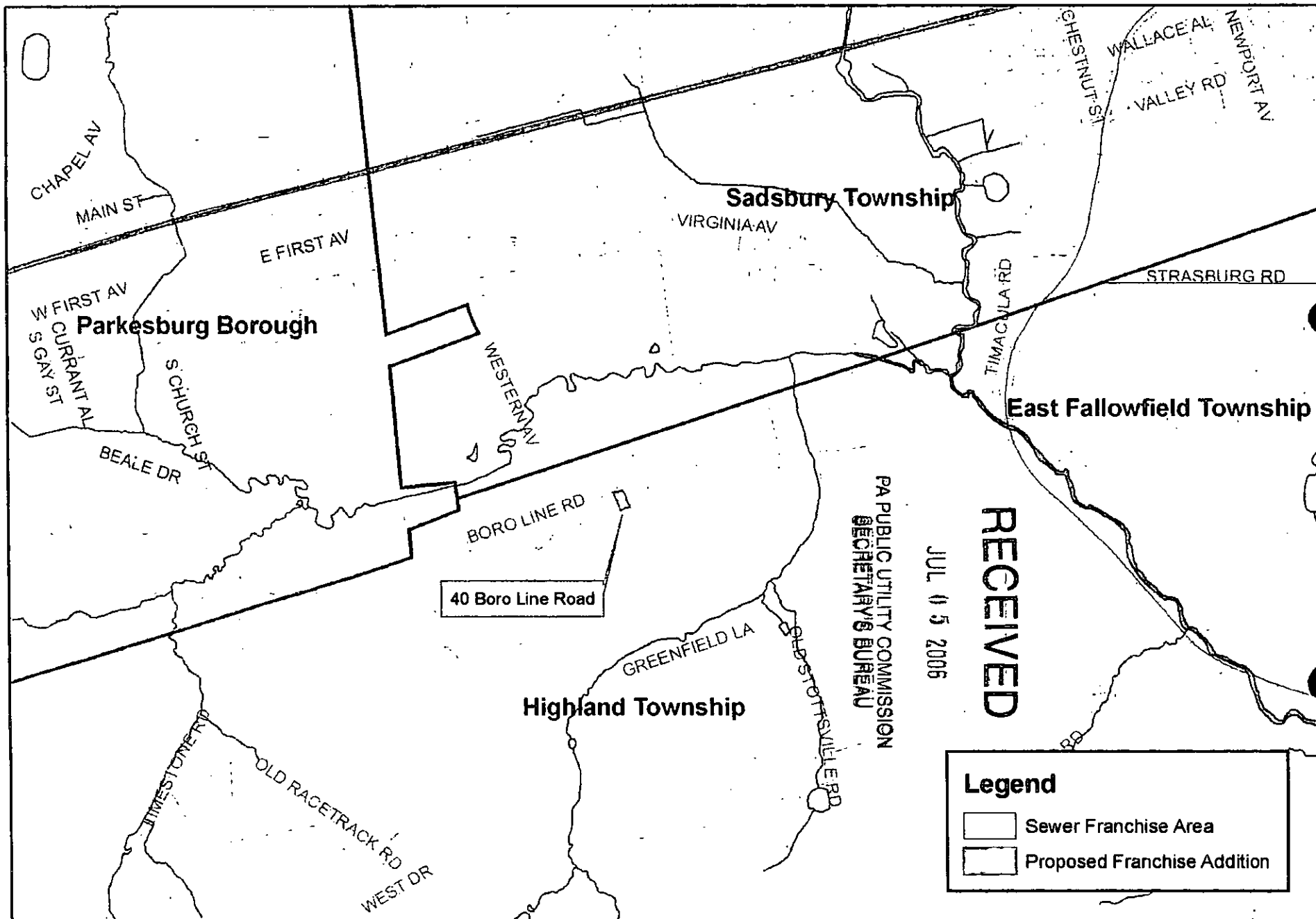
ALL THAT CERTAIN parcel of land **SITUATE** in Highland Township, Chester County, Pennsylvania, being more fully described as follows:

BEGINNING at a point on the title line in the bed of Boro Line Road, a corner in common with land now or late of Clarence and Melissa Bowman; thence from the point of beginning, along said land of Bowman, South 14 degrees 46 minutes 00 seconds East 150.01 feet to a corner of land now or late of Chester A. Taylor; thence along the same, South 77 degrees 44 minutes 17 seconds West 75.07 feet to a corner of land now or late of Leo and Louise W. Hopkins; thence along the same, North 14 degrees 46 minutes 00 seconds West 150.00 feet to a point on the title line in Boro Line Road, aforesaid; thence along the same, North 77 degrees 43 minutes 55 seconds East 75.07 feet to the point of beginning and **CONTAINING** 11,250 square feet of land, be the same, more or less.

RECEIVED

JUL 05 2006

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU



PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

JUL 05 2006

RECEIVED

Legend

- Sewer Franchise Area
- Proposed Franchise Addition

ENTECH
Engineering Inc.
410 South Street
Pottsville, PA 17860
PH: 610 232 8682
F: 610 232 7537

PENNSYLVANIA AMERICAN WATER
Proposed Additional Sewer Franchise Area
Highland Township, Chester County

PREPARED BY CTT	CHECKED BY SER	PROJECT ENGINEER SER	
DATE 8/12/06	PROJECT NO 5123	SCALE 1 : 1,000	DRAWING NO EXH-1

PENNSYLVANIA - AMERICAN WATER COMPANY
BALANCE SHEET

	PAWC DEC. 2005
ASSETS	
UTILITY PLANT	\$ 2,302,979,859
CONSTRUCTION WORK IN PROGRESS	54,963,153
ACCUMULATED DEPRECIATION	(504,929,265)
UTILITY PLANT ACQUISITION ADJ.	18,278,705
OTHER UTILITY PLANT ADJUSTMENTS	0
	<u>1,871,292,452</u>
NONUTILITY PROPERTY	<u>286,345</u>
OTHER INVESTMENTS	<u>40,050,585</u>
CURRENT ASSETS	
CASH AND CASH EQUIVALENTS	4,166,525
TEMPORARY INVESTMENTS	0
CUSTOMER ACCOUNTS RECEIVABLE	35,205,217
ALLOWANCE FOR UNCOLL. ACCT.	(4,262,641)
UNBILLED REVENUES	42,325,198
FIT REFUND DUE FROM ASSOC. COMPANY	601,989
MISCELLANEOUS RECEIVABLES	571,489
MATERIALS AND SUPPLIES	3,002,253
OTHER	5,591,354
	<u>87,201,384</u>
DEFERRED DEBITS	
DEBT AND PREF. STOCK EXPENSE	16,760,720
EXPENSE OF RATE PROCEEDINGS	75,521
PREL. SURVEY AND INVEST. CHARGES	6,115,150
REG ASSET-INC TAX RECOVERABLE THRU RATES	107,187,963
OTHER	43,189,560
	<u>173,328,914</u>
	<u>\$ 2,172,159,680</u>
CAPITAL AND LIABILITIES	
COMMON STOCK	\$ 21,506,887
PAID IN CAPITAL	457,983,004
RETAINED EARNINGS	235,308,051
	<u>714,797,942</u>
TOTAL COMMON EQUITY	714,797,942
PREFERRED STOCK	1,720,200
LONG-TERM DEBT	726,573,322
	<u>1,443,091,464</u>
TOTAL CAPITALIZATION	
CURRENT LIABILITIES	
BANK DEBT-PENDING ISSUANCE OF SEC.	22,612,968
CURR. PORTION OF LONG-TERM DEBT	143,414,661
ACCOUNTS PAYABLE	29,301,824
TAXES ACCRUED	28,375,095
INTEREST ACCRUED	11,747,891
CUSTOMER DEPOSITS	
DIVIDENDS DECLARED	
OTHER	22,265,135
	<u>257,717,574</u>
DEFERRED CREDITS	
CUSTOMER ADVANCES FOR CONSTR.	84,775,011
DEFERRED INCOME TAXES	287,774,828
DEFERRED INCOME TAX CREDIT	7,708,492
REGULATORY LIAB - INCOME TAX REFUND THRU RATES	(9,396,694)
OTHER	28,935,606
	<u>399,797,243</u>
CONTRIBUTIONS IN AID OF CONSTRUCTION	<u>71,553,399</u>
	<u>\$ 2,172,159,680</u>

RECEIVED

JUL 05 2006

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

PENNSYLVANIA - AMERICAN WATER COMPANY
 STATEMENT OF INCOME AND RETAINED EARNINGS
 TWELVE MONTHS ENDED DECEMBER 31, 2005

	<u>PAW</u>
OPERATING REVENUES	<u>\$ 394,359,698</u>
OPERATION EXPENSES	
OPERATIONS AND MAINTENANCE	169,360,948
DEPRECIATION & AMORTIZATION	56,908,884
TAXES ON OPERATING INCOME	
GENERAL TAXES	12,301,541
STATE INCOME	9,018,544
FEDERAL INCOME	<u>37,661,164</u>
	<u>285,251,081</u>
UTILITY OPERATING INCOME	109,108,617
OTHER INCOME	
INTEREST	77,655
ALLOW. FOR OTHER FUNDS FOR CONSTRUCT.	1,064,604
GAIN (LOSS) ON SALE OF PROPERTY	1,088,030
MISCELLANEOUS OTHER INCOME	<u>46,096</u>
	<u>111,385,002</u>
OTHER DEDUCTIONS	
MISCELLANEOUS	(939,626)
TAXES ON OTHER INCOME AND DEDUCTIONS	
GENERAL	187,996
STATE INCOME	196,145
FEDERAL INCOME	<u>687,194</u>
	<u>131,709</u>
INCOME BEFORE INTEREST CHARGES	<u>111,253,293</u>
INTEREST CHARGES	
INTEREST ON LONG-TERM DEBT	51,156,611
AMORTIZATION OF DEBT EXPENSE	1,997,886
OTHER INTEREST	283,074
ALLOW. FOR BORROWED FUNDS FOR CONSTRUCT.	<u>(10,513)</u>
	<u>53,427,058</u>
NET INCOME	57,826,235
DIVIDENDS ON PREFERRED STOCK	<u>77,409</u>
NET INCOME TO COMMON	<u>\$ 57,748,826</u>

RECEIVED

JUL 05 2006

PA PUBLIC UTILITY COMMISSION
 SECRETARY'S BUREAU

Schedule of Consumption Charges

A. Residential/Commercial (Based on Water Usage)

Service Charge per quarter: \$5.59

3.02 per 1,000 gallons

B. Special Rate Charges

1. Bulk Metered Usage

Caln Township, Valley Township, V.A. Hospital and West Brandywine Township - Quarterly Service Charge of \$5.59 in addition to \$2.13 per 1000 gallons of metered water usage.

Lukens Steel - Quarterly Service Charge of \$5.59 in addition to \$1.94 per 1,000 gallons of metered water usage.

2. Unmetered Units

Valley District and East Fallowfield Township - \$148.00 annually.

RECEIVED
JUL 05 2006
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Indicates Increase, (D) Indicates Decrease, (C) Indicates Change

Issued: March 30, 2001

Effective: March 22, 2001

**Estimated Annual Revenue and Expense
in Application Territory**

Estimated Annual Revenue

1 Residential customer @\$ 212.04

Estimated Annual Expenses

1 Residential customer @\$ 145.00

Net \$ 67.04

RECEIVED

JUL 05 2006

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

EXHIBIT F

RESOLUTION NO 2004-

HIGHLAND TOWNSHIP
CHESTER COUNTY, PENNSYLVANIA

A RESOLUTION OF THE TOWNSHIP OF HIGHLAND,
COUNTY OF CHESTER, COMMONWEALTH OF PENNSYLVANIA
ACKNOWLEDGING THE NEED FOR AND AUTHORIZING THE EXTENSION
OF WATER AND SEWER SERVICES TO ALL PROPERTIES ABUTTING ON
BORO LINE ROAD

IT HEREBY IS RESOLVED AND ENACTED by the Board of Supervisors of the Township of Highland, County of Chester, Commonwealth of Pennsylvania as follows:

- 1) that the said Board of Supervisors acknowledges that all properties abutting on Boro Line Road should have the option of connecting to the Pennsylvania American Water Co. wastewater and fresh water system (hereinafter "PAW") to enhance and protect their access to clean water and to ensure a safe and healthy environment for these properties, their residents and Highland Township;
- 2) that the township agrees to and shall participate in the amendment of its Act 537 Plan to enable the extension of the PAW wastewater and fresh water system to serve such

RECEIVED

JUL 05 2006

of these properties as their owners shall elect to be so served;

- 3) that the Board of Supervisors shall hereafter also enact such ordinances and enter into such agreements as may be necessary to accomplish the aforesaid extension of the FAW system to the properties abutting on Boro Line Road; and
- 4) that any resolution or part of any resolution conflicting with this resolution shall be and the same is hereby repealed insofar as the same may affect this resolution.

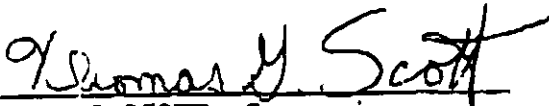
ADOPTED by the Board of Supervisors of the Township of Highland, this 12th day of October 2004.

ATTEST: (SEAL)


SECRETARY


RICHARD ABBOTT, Chairman


PATRICIA MONTGOMERY, Supervisor


THOMAS SCOTT, Supervisor